

Duke Energy Carolinas, LLC, Proposed Coastal Wind Energy Demonstration Project

Environmental Impact Statement

Public Scoping Meeting – March 18, 2010

Welcome

Welcome to tonight's public scoping meeting for the Duke Energy Carolinas, LLC, (Duke Energy) Proposed Coastal Wind Energy Demonstration Project.

The purpose of tonight's meeting is to gather your input on issues and concerns that you think should be addressed in the Environmental Impact Statement (EIS).

Scoping Meeting

6:00 – 6:45 p.m. Sign In and Visit Project Displays/Information Stations

Please sign in at the registration table and provide your mailing address to receive future project information and to help us document public participation in the workshop.

6:45 – Introductions David Lekson, Wilmington District, USACE

7:00 – 7:15 p.m. Colonel Jefferson Ryscavage, District Commander,
Wilmington District, USACE

7:15 – 7:30 p.m. Scott McLendon, Acting Chief, Wilmington District, USACE

7:30 – 7:45 p.m. Spencer Hanes, Project Sponsor, Duke Energy

7:45 Breakout Sessions David Lekson, Wilmington District, USACE Staff

Themes: Natural Environmental (fish, wildlife, estuarine resources, etc.)
 Human Environment (social, economic, aesthetic, etc.)

Adjourn when your breakout sessions ends.

Thank you for attending the scoping meeting.

How to Provide Comments after the Meeting

This information packet includes a comment sheet. We look forward to receiving your input. The information that you provide will help identify key concerns and issues regarding the proposed project. Please **submit your comments** tonight or mail your comments to the address on the comment sheet postmarked by **April 2, 2010**.

Duke Energy Proposed COASTAL WIND ENERGY DEMONSTRATION PROJECT PROJECT INFORMATION

WHAT IS THE PROJECT AND WHAT PURPOSE DOES IT SERVE?

The proposed Duke Energy Coastal Wind Energy Demonstration Project would include the construction and operation of a demonstration wind energy facility of up to three wind turbines in the coastal waters of North Carolina. The stated purpose is to construct and operate a demonstration wind energy facility in the coastal waters of North Carolina in order to evaluate the ecological risks, engineering obstacles, and potential mitigation measures associated with water-based wind energy development in North Carolina.

WHERE WILL THE POWER GENERATED FROM THE PROJECT GO?

The power generated from the project would be supplied to the electric grid on Hatteras Island and could power approximately 500 to 2,500 homes.

WHEN WILL CONSTRUCTION BEGIN?

Construction will begin shortly after Duke Energy has received all required permits. Duke Energy's goal is to begin construction as early as first quarter of 2011.

WHAT IS THE PROJECT BACKGROUND?

The following is a timeline of events leading up to the initiation of the Duke Energy Coastal Wind Energy Demonstration Project.

Date	Activity
August 2007	The North Carolina General Assembly established the state Renewable Energy Portfolio Standard.
July 2008	The North Carolina General Assembly passed legislation requiring that University of North Carolina (UNC) study the feasibility of establishing wind turbines in North Carolina's coastal waters.
April 30, 2009	The U.S. Army Corps of Engineers (USACE) participated in an interagency stakeholders meeting and informed UNC and political interests of federal jurisdiction, permit requirements, environmental concerns and potential pitfalls.
June 2009	UNC completed its report that identified areas potentially suitable for wind energy development. The study also recommended that a demonstration project be completed to help further evaluate the potential for water-based wind energy development and to further study engineering and environmental aspects of such a project.
August 2009	The North Carolina General Assembly passed legislation requiring that UNC contract with a third party to develop a demonstration wind energy project in North Carolina's coastal waters.
September 30, 2009	UNC entered into a contract with Duke Energy and Duke Energy became the developer, owner, and operator of the proposed demonstration wind energy project.
October 30, 2009	Duke Energy and the USACE met to discuss the strategy going forward in anticipation of a proposal to construct a wind energy demonstration project in Pamlico Sound. The USACE indicated that a Section 10 of the Rivers and Harbors Act and Section 404 of the Clean Water Act Individual Permit will be required and that preparation of an EIS would likely be required.
November 2009	Duke Energy began investigating engineering alternatives for various aspects of the project.
December 2009	ARCADIS was named as the third-party contractor to assist the Corps in its preparation of the EIS document.
January 2010	The USACE held an initial interagency coordination meeting to share project information and gather feedback from state and federal agencies, non-governmental organizations, and other interested parties.

WHAT IS THE NATIONAL ENVIRONMENTAL POLICY ACT?

The National Environmental Policy Act (NEPA) of 1969, as amended, requires federal agencies to analyze, document, and disclose the potential environmental and socioeconomic impacts of a proposed action and alternatives before any federal action is taken. NEPA also involves engaging the potentially affected and interested public and stakeholders early in the environmental planning and analysis process. A range of federal actions can trigger NEPA; some examples include making policy, providing funding for a project, issuing regulations, making federal land management decisions, and issuing permits.

WHAT IS THE U.S. ARMY CORPS OF ENGINEERS' ROLE IN THE NEPA PROCESS?

The proposed construction of the wind energy demonstration project within the Pamlico Sound will require permits pursuant to Section 404 of the Clean Water Act and Section 10 of the Rivers and Harbors Act. Duke Energy will be submitting an application to receive these permits from the USACE. The potential USACE issuance of the permit is a federal action and therefore triggers the need to comply with NEPA. The USACE will be the lead federal agency in the NEPA process for this project.

WHO IS THE PROJECT TEAM AND WHAT ARE THEIR ROLES?

The U.S. Army Corps of Engineers is the lead agency for the preparation of the EIS. The EIS is being prepared by a team comprised of the U.S. Army Corps of Engineers and ARCADIS, who is under a third party arrangement to the U.S. Army Corps of Engineers.

- U.S. Army Corps of Engineers – Lead federal agency
- ARCADIS – Third party contractor that will prepare the EIS on behalf of the USACE
- Duke Energy – Developer, permit applicant, owner, and operator
- University of North Carolina – Completed study of wind energy feasibility in North Carolina's coastal waters and will conduct research on the project, including biological studies to provide data for the EIS.

ARE OTHER REGULATORY AGENCIES INVOLVED IN THE NEPA PROCESS FOR THIS PROJECT?

Yes, a project review group has been formed consisting of state and federal regulatory agencies, such as the U.S. Environmental Protection Agency, U.S. Fish and Wildlife Service, North Carolina Division of Coastal Management, and the North Carolina Division of Water Quality. Also participating are several non-governmental environmental advocacy groups including the Pamlico-Tar River Foundation, the North Carolina Coastal Federation and The Nature Conservancy. The group will meet frequently throughout preparation of the EIS.

WHAT IS AN ENVIRONMENTAL IMPACT STATEMENT?

The USACE has determined that an EIS is the proper environmental compliance document for addressing potential impacts associated with this project. An EIS is a report that discloses the process through which the project was developed, including alternatives development, analysis of potential environmental and socioeconomic impacts as a result of the proposed action and alternatives, and shows compliance with other applicable laws and executive orders in order for the decision makers to make an informed decision regarding the project.

A key component of the EIS process is to solicit the public's input about their concerns and preferences, and subsequently share the study findings with the public and obtain feedback. An EIS is prepared in two phases: a Draft EIS, which is circulated to the public; and a Final EIS, which records public comments and responses to those comments, and finalizes commitments.

WHAT IS THE ANTICIPATED PLANNING PROCESS?

NEPA requires a series of milestones to be met while developing and finalizing an EIS. Currently, the EIS process is at the public scoping phase. During the scoping phase, the USACE solicits public input to identify issues related to the proposed project. Detailed study alternatives will be developed after suggestions and comments from the public are given full consideration, potential concepts and previous studies are assessed, and a review of existing study area conditions for the natural and human environments has been performed.

Step	Planning Activity
1	Scoping (We are Here)
	<ul style="list-style-type: none"> • Review regulations and project history. • Identify the purpose and need, goals and objectives, and impact topics for the proposed project. • Review proposed concepts for the project. • Conduct meetings for public scoping, outreach, and agency coordination. • Collect and analyze public input.
2	Existing Conditions
	<ul style="list-style-type: none"> • Assess existing data for project study area. • Collect data on natural and cultural resources, human environment, the transportation network and existing infrastructure, and other relevant data. • Document existing conditions of the study area.
3	Alternatives Development
	<ul style="list-style-type: none"> • Develop preliminary study alternatives. • Eliminate alternatives that do not meet the purpose of and need for the project.
4	Impact Analysis
	<ul style="list-style-type: none"> • Analyze impacts to the human, natural, and cultural environments (impact topics). • Develop final study alternatives. • Conduct public meeting(s) to review the final study alternatives and the proposed impacts. • Collect and address public input.
5	Draft Environmental Impact Statement
	<ul style="list-style-type: none"> • Prepare and publish the Draft EIS with detailed study alternatives and an impact assessment. • Release the Draft EIS for public comment. • Conduct a public hearing to receive comments on the Draft EIS. • Collect and address public input.
6	Final Environmental Impact Statement
	<ul style="list-style-type: none"> • Reply to substantive comments received at the public hearings and during the comment period for the Draft EIS. • Review findings for the alternatives. • Prepare and publish the Final EIS.
7	Record of Decision
	<ul style="list-style-type: none"> • Prepare and publish the Record of Decision in the Federal Register and other media.
8	Issue Permit
	<ul style="list-style-type: none"> • Issue Permit with special conditions and implement project decisions.

HOW DOES THE PUBLIC PARTICIPATE IN THE NEPA PROCESS?

The public plays an important role in the NEPA process by providing input during scoping on what issues should be analyzed in the EIS. The public also has the opportunity to comment on the Draft EIS and the Final EIS. The lead agency must take all comments into consideration during the public comment period.

HOW CAN I PROVIDE COMMENTS TO THE PROJECT TEAM?

Please submit your comments to:

Mr. David Lekson
Washington Regulatory Field Office
U.S. Army Corps of Engineers
P.O. Box 1000
Washington, NC 27889
(910) 251-4595
david.m.lekson@usace.army.mil

ADDITIONAL INFORMATION:

www.saw.usace.army.mil/WETLANDS/Projects/Duke_Wind/index.html

COMMENT SHEET
DUKE ENERGY COASTAL WIND ENERGY DEMONSTRATION PROJECT EIS

Contact Information

[-Please Print-]

March 2010

Comments received will be incorporated into the project planning process and will become part of the project's administrative record.

Name: _____

Mailing Address: _____
[-Please remember to include your zip code-]

E-Mail Address: _____
[-If you would prefer to receive project updates electronically instead of by mail-]

Do you represent a group or organization? If so, please check your affiliation below:

☐ Homeowner's Association ☐ Business ☐ Developer ☐ Local Official ☐ Interest Group

☐ Other Name of Group or Organization: _____

How did you hear about the meeting?

☐ Mailing ☐ Newspaper ☐ Friend/Family ☐ Other: _____

Your opinions are important to this project. Please use the space below and on the back of this sheet to write your questions or comments. If you need additional room to write, please use additional paper or take additional comment sheets.

1. What issues do you think should be considered and addressed in the Environmental Impact Statement? (Example: historic resources)

2. Please identify natural, cultural, or community resources in the project area that are important to you. What features in the study area do you value most?

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

Your comments will be used to help shape evaluation of the project. Each comment received will be reviewed by project team members and becomes part of the official record. Useful comments include, 1) issues and information that should be considered; 2) information on how you use the area and how the project could potentially affect your use; and 3) identification of incomplete or inaccurate information.

Comment sheets should be mailed by April 2, 2010 to:

david.m.lekson@usace.army.mil